11th Annual Military Pay Conference: Navy Personnel Strategies

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Topics

- **Navy Personnel Strategy**
- **Keys to Its Success**
  - ➢ **Compensation Tools**
  - ➢ **SIHRS/DIMHRS - an IT Vision**
  - ➢ **Financial MIS**
  - ➢ **Navy/DFAS Partnerships**
- **Challenges To Success**
- **Summary**

DCNO M&P (N1)

Force Structure + Training + Resources + Manning = Readiness

(with the Right Skills)

N1 Strategic Goal

Right Sailor - Right Time - Right Place

N1 Tactical Goal

Minimize the imbalances produced by the drawdown to achieve a balanced and ready force

N1 Guiding Principles

Cautiously Urgent

Missteps translate to degraded readiness

Change effects may take 10-20 years to see or correct

Revolutionary changes must first be piloted

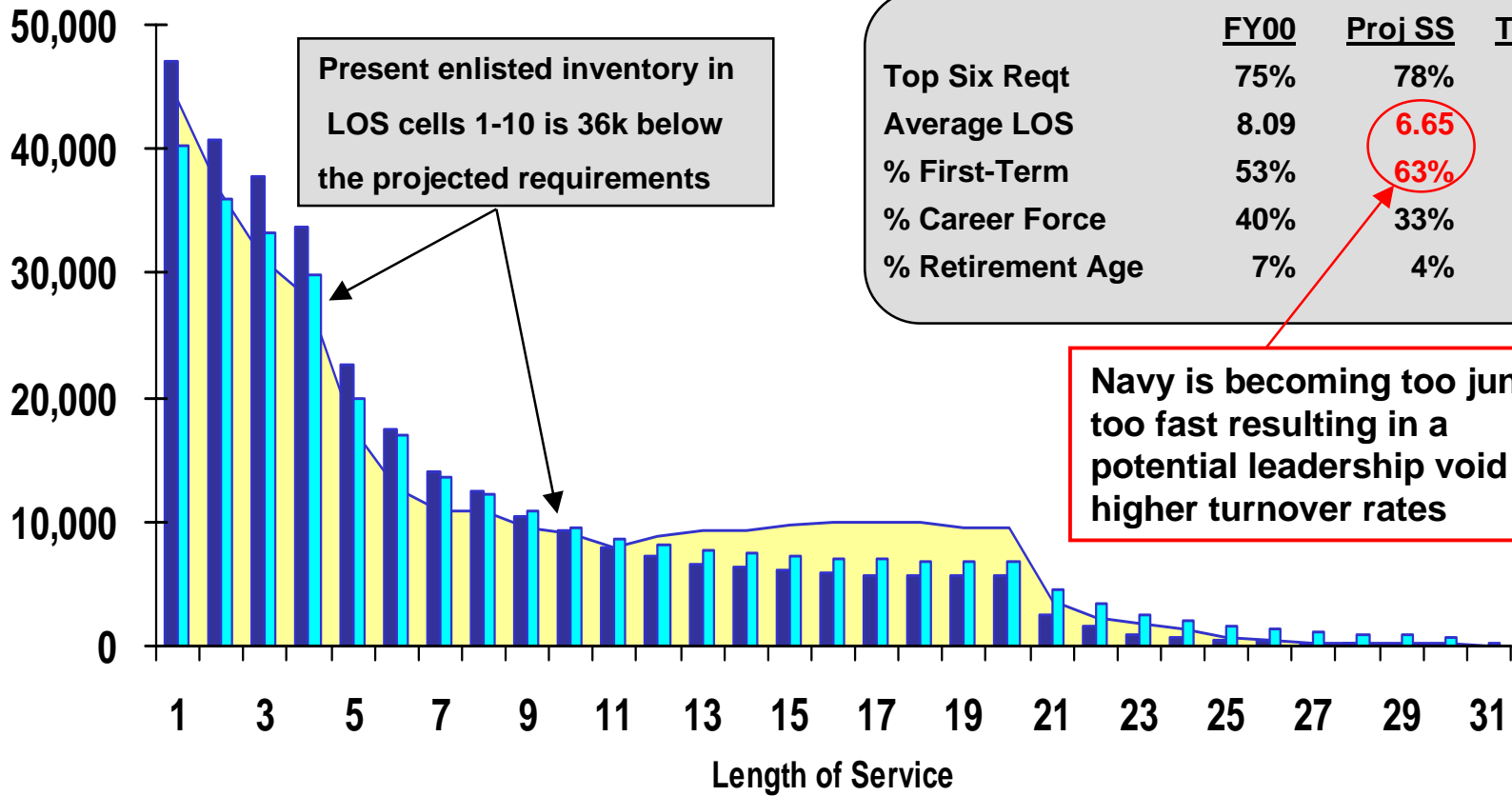**Economic realities demand flexibility in our strategy**

Impact of Force Longevity Imbalances on Future Manpower Requirements

DCNO M&P (N1)

> **Paygrade Mix Requirements Growing as Longevity/Experience is Naturally Eroding**

Present enlisted inventory in LOS cells 1-10 is 36k below the projected requirements

	FY00	Proj SS	Target SS
Top Six Reqt	75%	78%	78%
Average LOS	8.09	6.65	7.95
% First-Term	53%	63%	55%
% Career Force	40%	33%	37%
% Retirement Age	7%	4%	8%

Navy is becoming too junior too fast resulting in a potential leadership void and higher turnover rates
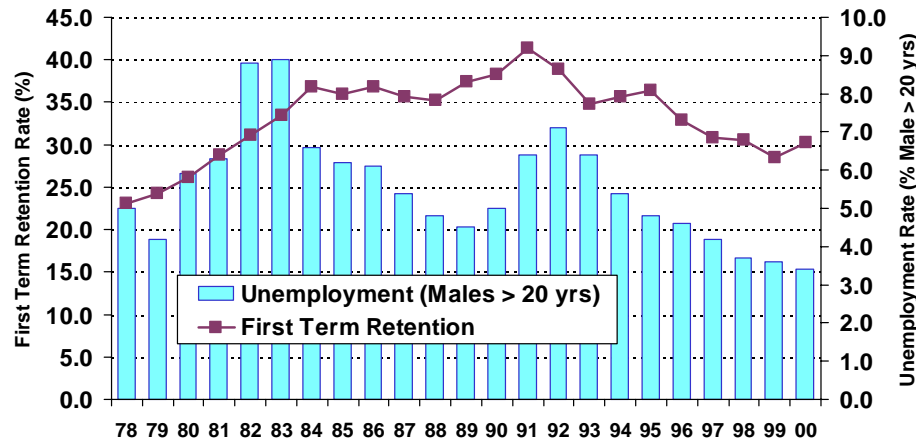

Length of Service

☐ FY00   ■ Projected Steady State   ■ Target Steady State

4

Economic Deterrents to Near-Term Balancing of Force Profile

First-term retention influenced greatly by civilian job opportunity. Navy needs greater monetary tools to compete with perceived private sector benefits.
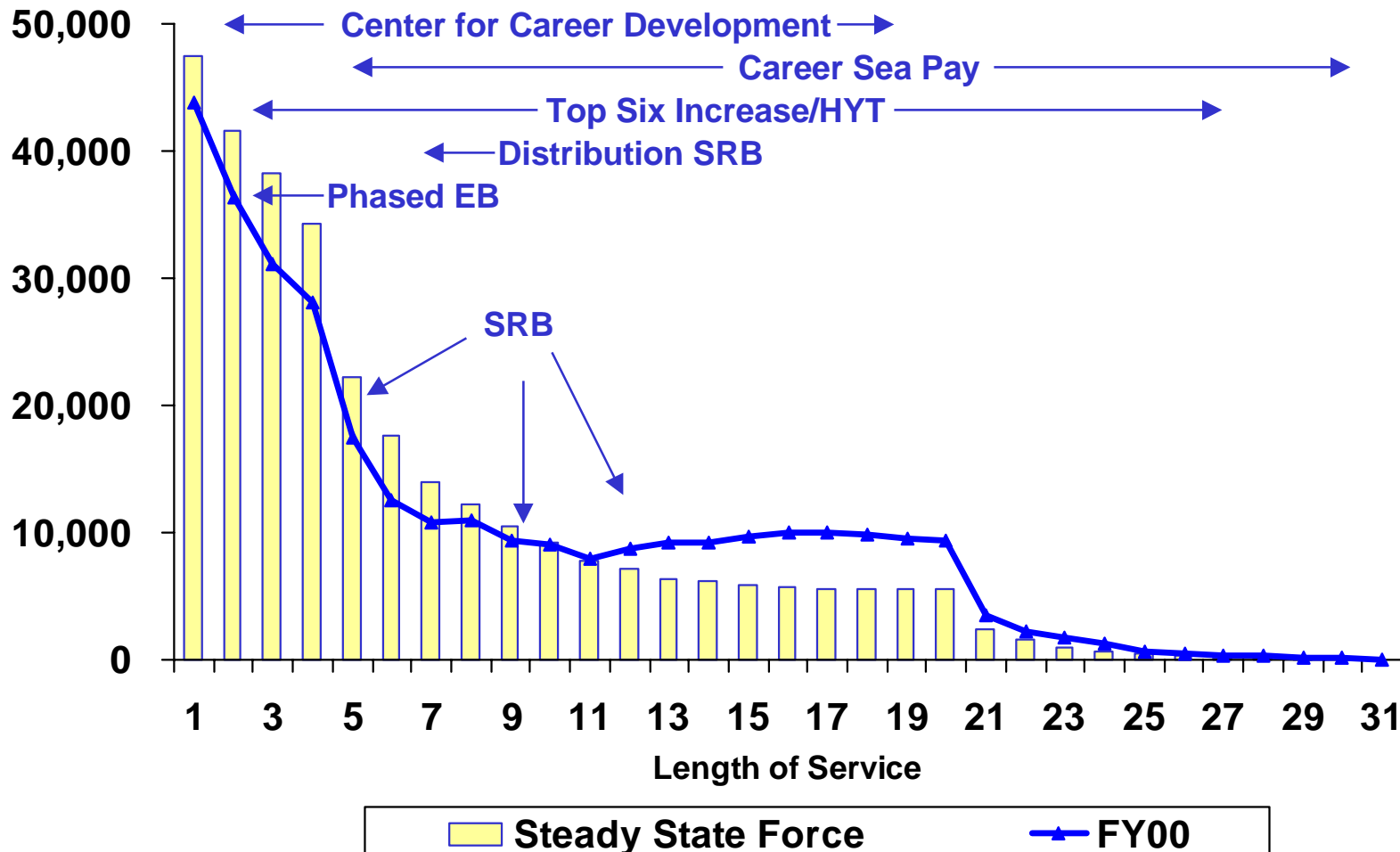
Despite additional resources, Navy recruiter productivity is suffering in thriving economy. Greater investment required to keep pace in advance of downturn.
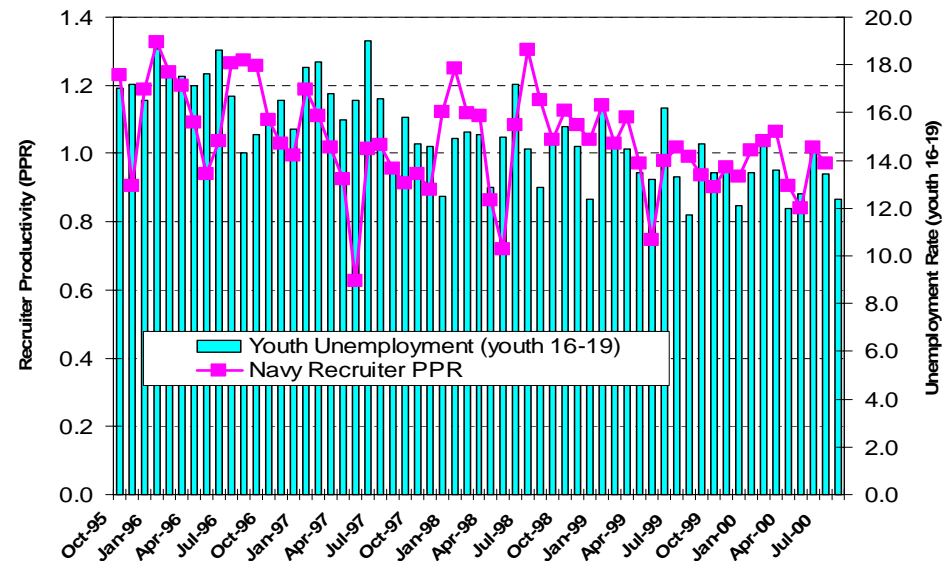
Current N1 Areas Of Influence

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Compensation Tools

FY00 NDAA (IMPLEMENT FY01/02)

- **Career Status Bonus**
  - REDUX Reform- members option to convert to High 3 or stay in Redux & receive 30K bonus to obligate to 20yrs
  - Implement FY01
  - Contribute to TSP
- **TSP-** Similar to 401K - allows member to contribute a percentage of base pay
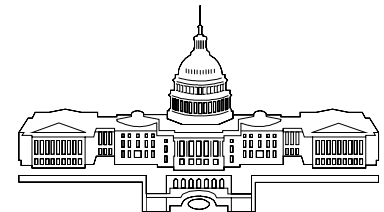 - PAYGO Resolved by Congress
  - Implement NLT Oct 01

FY01 NDAA

- **Career Sea Pay (CSP) Reform**
  - Remove sea pay tables from law
  - Incentive for members to stay & return to sea
  - Funding pending (~$107M/year)
  - **E-4 BAH -** Single E-4's >4yrs afloat to receive BAH at CO's discretion
    - **Implement FY02 (~$41M/year)**
- **BAS Reform -** All enlisted entitled
  - **Tied to credible food cost index**
  - **Navy policy issues being worked**
  - **Full implementation Jan 02**
- **E-5 - E-7 -** Follow-on to Pay Table Reform
  - Targeted pay raises (1%- 5%)
  - Effective Jul 01
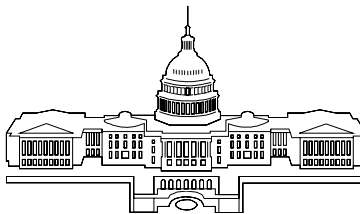
FY01 NDAA

- **Critical Skills Bonus**
  - $200K over entire career for skills designated. In addition to other bonuses.
  - Officer or Enlisted
  - Flexible/broad authority
  - FY02 implementation
- **FSSA-** Family Subsistence Supplemental Allowance
  - Additional allowance intended to remove a member's eligibility for Food Stamps
 - Maximum Allowance $500/month
  - Effective May 01

Compensation Tools

FY02 NDAA
(IN WORKS)

- **Distribution Incentive Pay**
  - Flexible market-based incentive for members to volunteer to assignments that are hard-to-fill billets/less desirable geographic locations
  - Variable, up to $750
  - w/SECNAV for inclusion in FY02 Omnibus

- **SUB Pay**
  - Remove sub pay tables from law & increase the maximum monthly amount to $1000.

- **Increase E-8 Inventory**
  - Increases E-8 cap by .5% (parity for all Services)

- **Officer Accession Bonus**
  - Flexibility to recruit officers to designate in specific critical skills communities. Broad authority
  - One time payment of up to $20K
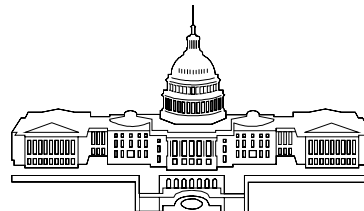
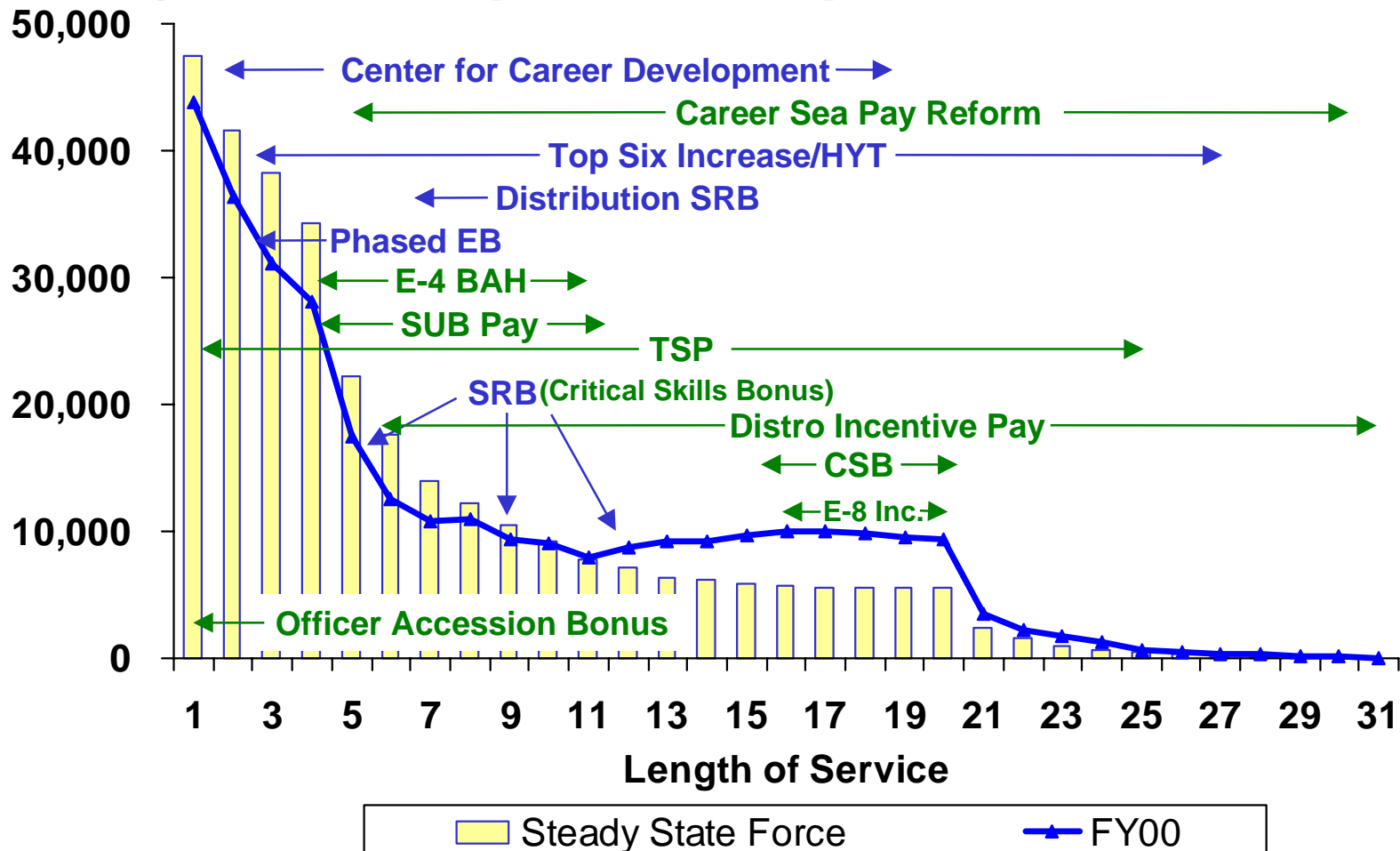# N1 Areas Of Influence

(new/anticipated compensation tools added)

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- **Summary**

SIHRS is a vision and a strategy… not a program...

A world class human resource system supporting all Navy: single data entry to logically linked databases; icon driven integrated applications; broad access at the headquarters, command, and individual level leveraging the Navy/Marine Corps Intranet; enabling enhanced decision making, reduction of command level of effort to manage/support personnel, and simplified processes for Sailors to review records, update information, and conduct administrative actions ...

## *Enabler for major process improvements ...*

SIHRS: Current Situation

TODAY(Past Decisions)

- **Patchwork of Systems**
- **Stove-piped Data Bases**
  - **Flat Files & Relational**
  - **Redundant Non-Standard Data**
- **Multiple Data Re-entry**
- **Antiquated Processes**
- **Slowly Replacing Components**

FUTURE (Today's Decisions)

- **Single Authoritative Data Base**
  - **Relational & Longitudinal**
  - **Reliable, Timely, & Standard Data**
  - **Enabler For Process Improvement**
- **Single Data Entry & Broad Access**
- **Web Enabled Applications w/ Updated Processes**

Transactions

Snapshots - $t_{1...n}$

Library

Archive
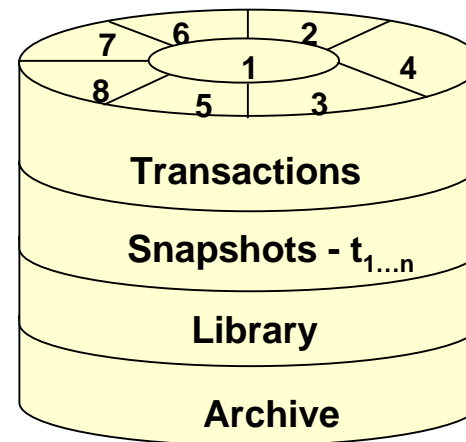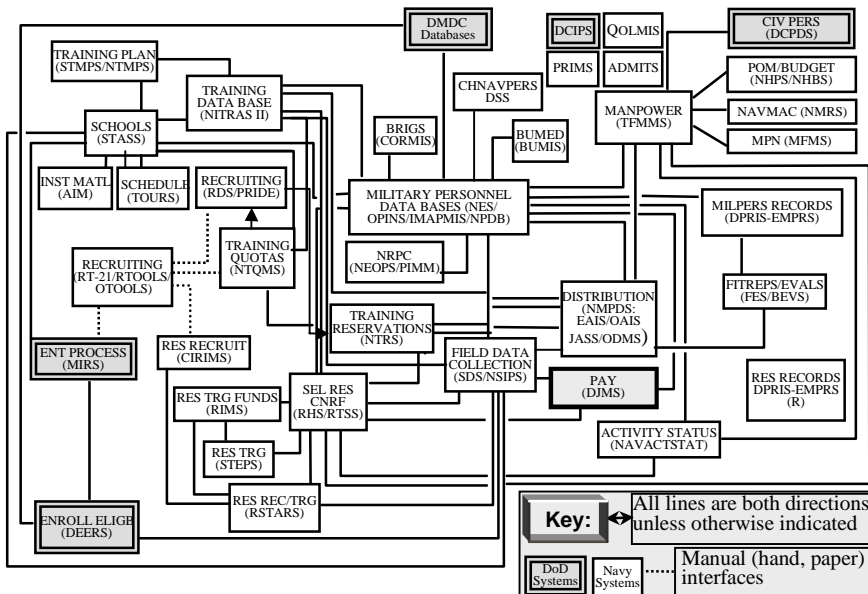
1	**Military Personnel (Act/Res)**
2	**Manpower (Act/Res/Civ)**
3	**Recruiting**
4	**Training/Education**
5	**Mobilization**
6	**Headquarters Management**
7	**PPBS**
8	**Other**

Support the Process: SIHRS

BPR functions/processes

Design databases

Build/migrate databases

Revise/migrate applications

Shutdown legacy systems

Leverages NMCI, DIMHRS, TF Whiskey and other DoD and Navy programs

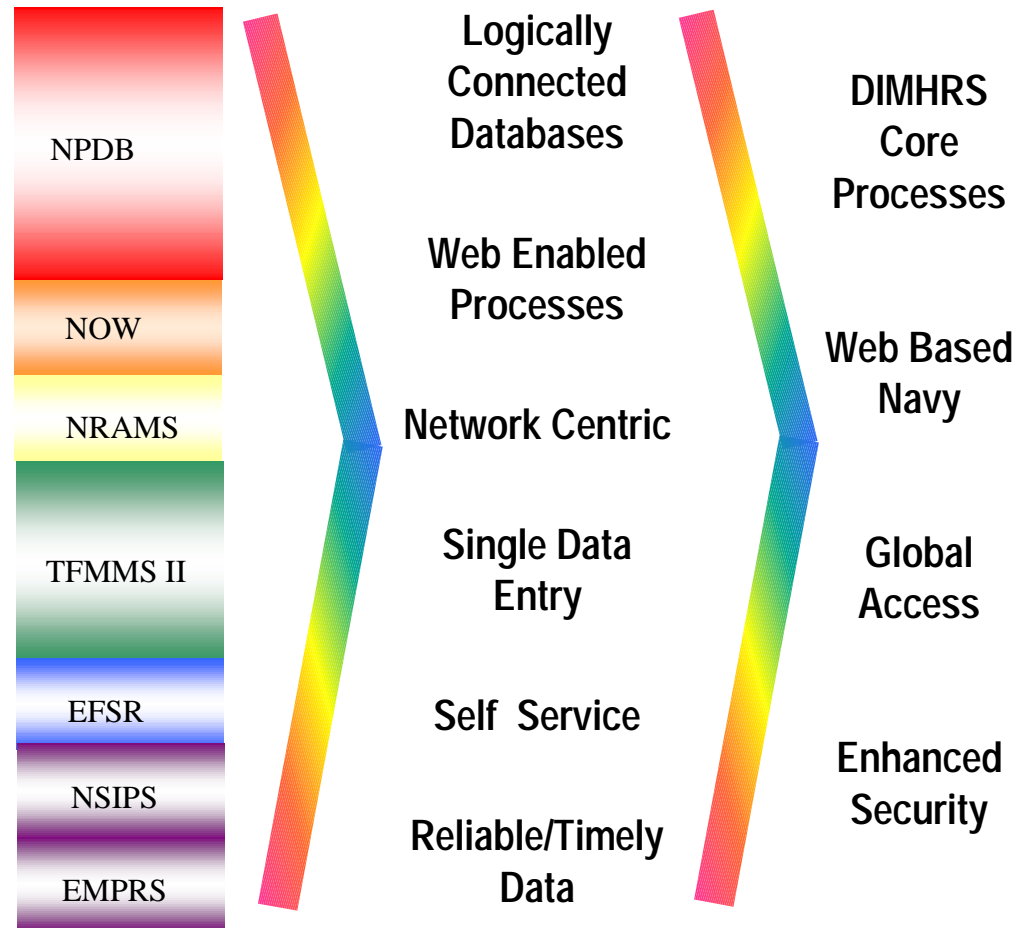Reduces risk to DIMHRS and speeds the transition. Supports Web-Centric Navy and DIMHRS

SIHRS BPR Progress

Analyzed & Simulated As-Is Business Processes with Supporting Legacy Systems

Business Process	Legacy Systems	Consolidated		
Naval Reserve Mobilization	NES OPINS RHS IMAPMIS	NPDB	Logically Connected Databases	DIMHRS Core Processes
Enlisted Distribution	EAIS JASS		Web Enabled Processes	
Officer Distribution	OAIS			Web Based Navy
Naval Reserve OrderWriting	RESFMS IDTT RIMS ADSW	NOW	Network Centric	
Naval Recruiting	PRIDE PORT RDS/CIRIMS	NRAMS	Single Data Entry	Global Access
Billet Writing & Authorization	TFMMS TMMCA	TFMMS II		
Billet Requirement Establishment	NMRS		Self Service	
Field Service Record	Paper Record	EFSR	Reliable/Timely Data	Enhanced Security
Naval Personnel and Pay	UMIDS DMRS SDS RSTARS-MP	NSIPS		
Records Management		EMPRS		

IT - THE WAY AHEAD

- **DIMHRS is the future**
  - ➤ **Navy fully supports**
- **SIHRS is the bridge to DIMHRS**
- **Interfaces between DIMHRS (as it evolves), DFAS pay module, field collection, and corporate databases are critical.**
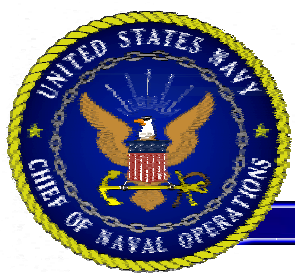
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- **Financial management information systems (MIS) for DIHMRS**
  - Track Programming Phase through Budget Execution
    - Match cost data for Programming, Budgeting, and Execution
    - Associate program management information with cost
  - Ability to track Personnel/Pay data
  - Focus on inquiry capabilities
    - Gives managers ability to query system for data
- **Importance**
  - Critical capabilities for decision makers
  - Provide decision makers with tools to plan and respond to change
  - Meet personnel strategy

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Navy/DFAS Partnerships for Success

- **Current Successes**
  - ➢ **PPAC**
  - ➢ **DJMS FIELD SUPPORT**
  - ➢ **SHIP RIDERS**
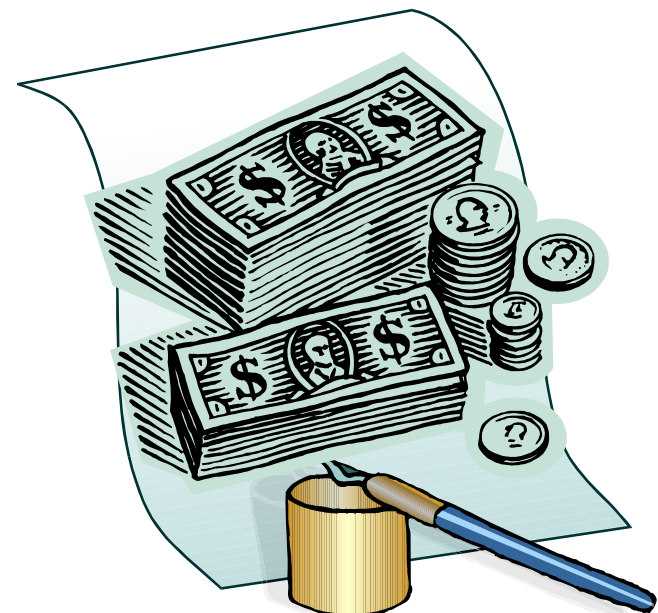- **Initiatives for Future Success**
  - ➢ **EXPAND PPAC**
  - ➢ **PASS BCA**

PPAC

- **Center opened 14 July 1999**
- **62,046 pay issues received, 61,214 resolved**
  - **6,180 non-pay issues all resolved**
  - **3.5- 5.0 day mean resolve time**
- **Benefits**
  - **Identify training needs**
  - **Identify system problems**
  - **Customer satisfaction**

SINGLE POC FOR SAILOR TO RESOLVE PAY & PERS PROBLEMS

DJMS FIELD SUPPORT

- **Initially conducted Oct 99 to Mar 00**
- **Resulted in 3.3% increase in accuracy**
- **Recommence May 01**
  - ➢ **Phase I classroom instruction**
  - ➢ **Phase II onsite**

SHIP RIDER PROGRAM

- **Another DFAS/Navy success story**
- **One rider with each Carrier Battle Group and Marine Amphibious Ready Group**
- **Provides training and direct support to Commands**
- **Acts as liaison between Fleet, NPC and DFAS**
- **Average of 40 issues a week resolved**

Initiatives

- **Expand PPAC**
  - ➢ **ITEMPO**
  - ➢ **CAC/PKI**
  - ➢ **Sailor Service Center**
- **PASS FUTURE**
  - ➢ **Single Claimancy**
  - ➢ **Eliminate PSDs**

NAVY & DFAS

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Challenges to Success

- **Incompatibility between Navy input system and DJMS**
- **Growing list of SCRs (currently 40+ Navy)**
- **Top SCRs**
  - ➢ Netting Out: scheduled for Jun 03
  - ➢ Pay Date Change: Scheduled for Sep 02
  - ➢ ADSW (re-accessing a member during same month as separation): scheduled for Jun 03
  - ➢ DJMS Budget Obligation and Analysis Tracking: not scheduled

DCNO M&P (N1)

- **Long lead time to implement changes**
- **Work-arounds required to keep Pay correct**
  - ➢ **Hampers effective management**
  - ➢ **Creates confusion for the Sailor**
  - ➢ **System not able to handle dynamic pay environment**
- **Increasing workload at PSDs**

DIMHRS: flexibility/adaptability required

Summary

- **Navy Personnel Strategy a Key to Readiness**
  - ➢ **Right Sailor (w/right skills) in right place at right time**
  - ➢ **Must correct imbalances**
- **Keys to Success to Effect the Strategy (Robust/ Flexible):**
  - ➢ **Compensation Tools**
  - ➢ **SIHRS/DIMHRS**
  - ➢ **Financial MIS**
  - ➢ **Navy/DFAS Partnerships**
- **Challenges Left Unresolved Could Hinder Success**